

**Franchise Tax Board****ANALYSIS OF ORIGINAL BILL**

Author: Blakeslee Analyst: Deborah Barrett Bill Number: AB 18  
Related Bills: See Legislative History Telephone: 845-4301 Introduced Date: December 4, 2006  
Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** Warren Mattingly Signature Stamp Act/Governmental Entities Treat Disabled Persons  
Signature Affixed with Signature Stamp As Made In Writing

**SUMMARY**

This bill would permit a person with a physical disability to use, and government entities to accept, a signature stamp when signatures are required on documents.

This bill makes numerous code changes that do not impact the department and are not discussed in this analysis.

**PURPOSE OF THE BILL**

According to the author's office, the purpose of this bill is to provide reasonable accommodations for persons with disabilities to fulfill their legal requirements.

**EFFECTIVE/OPERATIVE DATE**

This bill would be effective January 1, 2008, and would be operative for signatures affixed on or after that date.

**POSITION**

Pending.

**ANALYSIS****FEDERAL/STATE LAW**

Under federal tax law, an income tax return is not considered a valid return unless it is signed by the taxpayer under penalty of perjury. For an electronically filed return, a taxpayer must obtain a Personal Identification Number (PIN) to verify their identity.

Under state tax law, any return, declaration, statement, or document required to be submitted by a taxpayer must contain a written declaration signed under penalty of perjury that the information being submitted is to the best of their knowledge true, accurate, and complete. For a taxpayer that chooses to file electronically, the taxpayer or their tax preparer is required to complete and provide, if requested, an electronic filing declaration that contains their signature.

**Board Position:**

_____ S	_____ NA	_____ NP
_____ SA	_____ O	_____ NAR
_____ N	_____ OUA	_____ <u>X</u> PENDING

**Department Director****Date**

Lynette Iwafuchi  
for Selvi Stanislaus

2/20/07

## THIS BILL

This bill would allow a person with a physical disability who is unable to make their signature to use a signature stamp, as defined, when executing a document or writing that legally requires a signature. This bill would require a governmental entity to accept the signature stamp in the same manner as a signature made in writing. This bill would provide that the owner of the signature stamp is the only person authorized to use it. A governmental entity may require a person who uses a signature stamp to present valid photographic identification as proof of his or her identity.

The owner of the stamp is liable for any damages caused by the use of the signature stamp by another person unless the stamp was lost or stolen, and the owner reported the loss or theft of the stamp to the appropriate law enforcement agency. A governmental entity is liable for any damages caused by someone other than the owner using the stamp if the governmental entity had an opportunity to verify, in person, the identity of the person who used the signature stamp and failed to verify his or her identity.

This bill would require the Department of Social Services to develop and adopt regulations to implement the provisions of this bill. This bill also makes nonsubstantive changes to the codes that provides for a person to use a mark as their signature.

## IMPLEMENTATION CONSIDERATIONS

Implementing this bill would not impact the department's programs or operations because it does not alter the requirement that a return must be signed.

## **OTHER STATES' INFORMATION**

The states reviewed include *Illinois, Massachusetts, Michigan, Minnesota, and New York*. These states were selected due to their similarities to California's economy, business entity types, and tax laws. *Illinois, Minnesota, and New York* provide that if a return is not signed by the taxpayer, it is not considered to be a valid return. None of these states have provisions for the use of a signature stamp for a person with a physical disability.

## **FISCAL IMPACT**

Implementing this bill would not impact the department's costs.

## **ECONOMIC IMPACT**

This bill's provisions would not impact the state's income tax revenues.

## **POLICY CONCERNS**

The revisions this bill would make to the Civil Code do not make verification of the user's identification by a third party mandatory, yet the bill would hold the owner of the stamp liable if someone else misuses or counterfeits the stamp.

## **LEGISLATIVE STAFF CONTACT**

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